SCOTT FITZPATRICK
MISSOURI STATE AUDITOR

**Village of River Bend**
**Investigative Summary**

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**Summary of Significant Complaint(s) reported:**
The Missouri State Auditor's Office received a complaint alleging the Village Clerk and members of the Board of Trustees were related to or employed by a developer attempting to obtain Tax Increment Financing (TIF) through the village to develop the Smokey River Entertainment District, creating at least the appearance of a conflict of interest. Complainants also reported excessive legal and police service expenditures and increased costs for clerk salaries.

**Background:**
The Village of River Bend is located in Jackson County. The village was incorporated in 1993 and had a population of 3 in 2020, according to the U.S. Census Bureau but has been reported to be 11 more recently. The village Board of Trustees consists of 5 board members. The village also employs a clerk.

**Methodology:**
Our investigation included a review of relationships the trustees and former clerk had with the developer, contracts and invoices for attorneys and police, bank records, court records related to cases filed against trustee members, and Board meeting minutes.

**Complaint Review:**
Our review of the former trustee members noted they all were related to or worked for the developer and the complainant's concerns are credible. However, the developer has since ceased the development project and his efforts to obtain Tax Increment Financing (TIF) through the village. In addition, the trustee members are no longer in office and all have been charged with or convicted of misdemeanor or felony charges of filing false documents and/or election offenses. Three trustees plead guilty to misdemeanors and agreed to pay fines, and the other two trustees' cases are set for trial in April and May 2026. The election charges mostly relate to failing to meet residency requirements, which further indicates the trustees may not have been independent. News reports indicate at least some Board members were living in travel trailers in the village.

Our review of questioned expenditures determined village expenditures significantly increased as reported but all expenditures were supported. Legal expenses increased from approximately $10,000 in 2022 to over $120,000 in 2023. A significant portion, approximately $113,000, of the expenses related to the redevelopment project. The village entered into an agreement with the developer to reimburse up to $100,000 of these expenses. However, the village has only received approximately $42,000 in reimbursement. Other expenditures were for updating and codifying ordinances, reviewing general policies and procedures, and responding to 23 sunshine requests from local business owners. Legal expenses in 2024 were approximately $36,000.

A review of the village clerk and police expenditures indicate the increased expenditures were due to a new contract with the City of Sugar Creek for police services and the hiring of a deputy clerk. The village no longer employs a deputy clerk.

**Additional Concerns:**

During our investigation we noted the village had not submitted its 2024 financial statement to the SAO as required by statute. The village filed its 2024 statement in December 2025 after we brought the issue to their attention. The current village clerk indicated the former clerk failed to retain records making it difficult to create the financial statement. When asked, the clerk indicated the village did not have a document retention policy, but will be passing an ordinance in March 2026 to implement one.

**Conclusion:**

Our review found concerns about trustee relationships with a developer are credible, and the village did incur significant expenses related to the development project. However, the project is no longer in progress and the trustees are facing felony charges or have been convicted of misdemeanors related to their positions on the Board. In addition, we noted the village did not submit its financial statement to the SAO timely and did not retain records. We will issue a closure letter recommending the Board of Trustees ensure it refrains from creating conflicts of interest or the appearance of conflicts of interest with village projects, seek reimbursement for the remainder of legal fees in accordance with the village's agreement, submit financial statements timely, and develop policy to maintain all records as required by law.